

Income, living conditions and fiscal burden of households

Year 2016

The results of Eu-Silc 2016 Italian survey showed on one side a relevant and widespread growth of the 2015 total household income at current and constant prices and on the other side an increase, in 2016, of the economic inequality and of at risk of poverty or social exclusion population.

Income indicators

In 2015 household mean net income (excluding imputed rents) was 29,988 euros, about 2,500 euros per month (that is +1.8% at current prices and +1.7% at constant prices compared to 2014).

The income growth was higher in the richest quintile of the population, mostly due to a sharper increase of higher levels of self-employment income, recovering after several years of cyclical sharp decrease. As a consequence, the share of total equivalised income (excluding imputed rent) received by the most affluent fifth of the households was 39.4% against 6.3% of the poorest fifth: it means that the most affluent fifth of households had totally an equivalised income 6.3 times (it was 5.8 in 2014) higher than that one of the poorest fifth of households.

Half of the households residing in Italy received a net income lower than 24,522 euros per year, (about 2,044 euros per month: +1.4% compared to 2014).

In 2015, inequality measured by the Gini index based on the equivalised income (net of imputed rent, fringe benefits other than company car and self-production income) was higher in Italy (33.1, with a slight increase compared to 32.4 in 2014) than the EU¹ mean index (30.7). At sub-national level the highest Gini index was registered in the South and Islands (34.9), while it was lower in the Centre (32.2), in the North-West (31.0) and in the North-East (28.2).

Living conditions indicators

In 2016, 30.0% of people residing in Italy were at risk of poverty or social exclusion, showing a worsening of the economic conditions compared to the previous year (28.7%). Moreover, Italy showed a higher share of population at risk of poverty or social exclusion, compared to EU¹ mean (23.5%).

All the components of the at risk of poverty or social exclusion indicator showed an increase: the share of people at risk of poverty (20.6% from 19.9% in 2015), the share of severely deprived people (12.8% from 11.5%) as well as the share of people with low work intensity (12.8%, from 11.7%).

The South and Islands area still represented the geographical area with the higher at risk of poverty or social exclusion rate (46.9%, showing a slight increase compared to 46.4% in 2015).

Households with five or more members showed the highest rate of population at risk of poverty or social exclusion (43.7% as in 2015), while those with one or two members showed a relevant increase of this indicator (that is 34.9% from 31.6% in 2015 for single person households, 25.2% from 22.4% in 2015 for two persons households).

Taxation and labour cost indicators

In 2015, the average tax rate at the household level was 19.4%, a slight decrease compared to the previous year (-0.25 percentage points). Due to tax credits for employees, couples with three or more children showed the lowest average tax rate (6.0%). On the other hand, single people under the age of 64 and couples without children were the types of family who bore the greatest tax burden, with an average rate around 20.9%.

For families with only one earner, the lowest level of income reduced the average tax rate by 0.6 percentage points (19.0%) compared to that of families with two or more earners (19.6%). For households with a single earner and main source of employee income, a reduction of average tax rate was registered in the first and second class of income (0-15,000 euros and 15,000-25,000 euros) as a consequence of the complete set-up of the 80-euro payroll bonus for employees.

¹ These estimates are based on 28 EU countries, but for Netherlands, Luxembourg and Bulgaria only provisional data are currently available, while Irish data are not still available.

Due to the lowest average income and the highest number of employees, the tax burden was lower in the South and Islands (16.4% overall; 15.3% and 16.9% respectively for households with a single and two earners), compared to 19.9% of households in the North-East (20% and 19.8% respectively for the above mentioned categories), 20.2% in the Centre (in both cases) and 21% of the North-West (20.5% and 21.2% for the above mentioned categories).

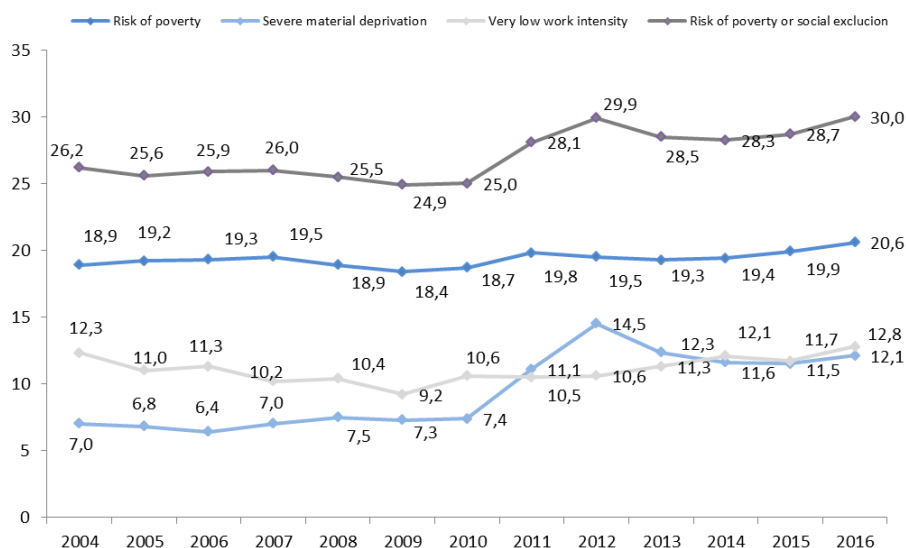
In 2015, the cost of labour for the employee income was equal to 32,000 euros per year. The disposable net income for the workers was on average 17,270 euros (54% of the total labour) and the tax wedge (sum of personal income tax and social security contributions of the employee and the employer) was on average 14,729 euros (46.0% of the labour cost), slightly lower than in previous years (it was 46.2% in 2014 and 46.7% in 2012).

The largest component of the tax wedge was represented by the social security contributions of employers (25.4%), while the remaining 20.6% was paid by the workers (14.0% as direct taxes and 6.6% as social contributions).

All components of labour cost were on average higher in the North-West, with a consequent decline in the share of net income to the worker. Gender differences are noticeable: the tax wedge of female employees was on average equal to 44.1%, while the male tax wedge reached 47.2% of the total labour cost.

The average self-employment income, gross of taxes and social contributions, was 22,952 euros per year. Net income represented 67.0% of the total (15,381 euros) and personal taxes on self-employment income, including the estimation of Regional Tax on Productive Activities (IRAP), were 16.4%, while social security contributions were 16.6%.

FIGURE 1. POPULATION AT RISK OF POVERTY OR SOCIAL EXCLUSION (EUROPE 2020) (a). Years 2004-2016, out of 100 persons



(a) The risk of poverty is calculated on 2015 income and the very low work intensity on the number of months worked by all the household members during 2015.

TABLE 1. POPULATION AT RISK OF POVERTY OR SOCIAL EXCLUSION, BY GEOGRAPHICAL AREA AND HOUSEHOLD CHARACTERISTICS (a). Years 2015-2016, for 100 individuals with the same characteristics

| | Year 2015 | | | | Year 2016 | | | |
|---|-------------------------------------|-----------------|-----------------------------|-------------------------|-------------------------------------|-----------------|-----------------------------|-------------------------|
| | Risk of poverty or social exclusion | Risk of poverty | Severe material deprivation | Very low work intensity | Risk of poverty or social exclusion | Risk of poverty | Severe material deprivation | Very low work intensity |
| Geographical area | | | | | | | | |
| North-west | 18.5 | 11.8 | 7.0 | 6.0 | 21.0 | 13.7 | 7.4 | 8.0 |
| North-east | 15.9 | 9.9 | 4.8 | 6.1 | 17.1 | 10.5 | 5.8 | 6.7 |
| Centre | 24.0 | 16.1 | 8.4 | 9.4 | 25.1 | 16.8 | 8.7 | 8.9 |
| South and Islands | 46.4 | 34 | 20.4 | 20.3 | 46.9 | 33.8 | 21.2 | 21.9 |
| Household size | | | | | | | | |
| One | 31.6 | 23.6 | 11.7 | 15.4 | 34.9 | 25.1 | 14.2 | 18.0 |
| Two | 22.4 | 13.8 | 9.0 | 17.1 | 25.2 | 15.4 | 10.4 | 18.2 |
| Three | 26.2 | 16.4 | 10.1 | 12.4 | 26.9 | 17 | 11.1 | 13.6 |
| Four | 28.7 | 20.9 | 11.6 | 8.1 | 29.0 | 20.8 | 11.2 | 8.6 |
| Five or more | 43.7 | 33.8 | 19.2 | 12.4 | 43.7 | 34.4 | 17.7 | 13.4 |
| Number of income earners | | | | | | | | |
| One | 45.4 | 36.6 | 15.7 | 18.3 | 46.7 | 37.1 | 16.9 | 19.8 |
| Two | 20.6 | 12.6 | 8.8 | 7.9 | 22.2 | 13.3 | 9.4 | 8.7 |
| Three or more | 18.0 | 6.8 | 9.4 | 8.0 | 17.5 | 6.8 | 8.9 | 8.4 |
| Main income source | | | | | | | | |
| Employee | 23.5 | 15.5 | 11.2 | 4.9 | 22.1 | 14.0 | 10.5 | 4.4 |
| Self-employment | 30.8 | 25.8 | 8.2 | 4.7 | 33.7 | 27.8 | 8.6 | 5.0 |
| Pensions and other public transfers | 32.9 | 21.0 | 12.4 | 47.1 | 35.8 | 22.3 | 14.4 | 51.3 |
| Other income | 61.0 | 49.8 | 12.0 | 57.6 | 67.4 | 59.7 | 23.7 | 66.9 |
| Household typology | | | | | | | | |
| Single person | 31.6 | 23.6 | 11.7 | 15.4 | 34.9 | 25.1 | 14.2 | 18.0 |
| - less than 65 years | 33.1 | 22.7 | 13.2 | 15.4 | 37 | 26.0 | 15.3 | 18.0 |
| - 65 years and over | 30.1 | 24.5 | 10.2 | | 32.6 | 24.0 | 13.0 | |
| Couples without children | 18.4 | 11.3 | 7.3 | 13.2 | 21.4 | 13.1 | 9.1 | 13.8 |
| - R.P. (b) less than 65 years | 22.8 | 13.5 | 8.6 | 12.7 | 25 | 15.5 | 9.1 | 13.6 |
| - R.P. (b) 65 years and over | 13.8 | 9.0 | 6.0 | 49.3 | 17.5 | 10.5 | 9.0 | 30.8 |
| Couples with children | 29.1 | 20.5 | 11.6 | 8.9 | 29.7 | 20.8 | 11.7 | 9.9 |
| - one child | 23.0 | 14.0 | 8.7 | 10.6 | 24.7 | 14.5 | 10.3 | 11.8 |
| - two children | 28.5 | 20.5 | 11.4 | 7.1 | 28.9 | 21.0 | 11.2 | 7.7 |
| - three or more children | 48.3 | 38.7 | 20.2 | 11.4 | 46.1 | 37.7 | 17.4 | 12.5 |
| Single parents | 40.1 | 27.4 | 16.8 | 22.1 | 38.8 | 26.4 | 15.2 | 24.0 |
| Other typologies | 31.2 | 20.1 | 14.8 | 21.1 | 34.0 | 22.8 | 15.7 | 19.8 |
| Number of minors | | | | | | | | |
| One minor | 29.4 | 22.4 | 12.3 | 8.0 | 30.1 | 22.5 | 13.2 | 8.9 |
| Two minors | 30.5 | 24.0 | 11.1 | 6.8 | 30.8 | 25.1 | 11.5 | 8.1 |
| Three or more minors | 51.2 | 44.1 | 20.7 | 13.1 | 47.3 | 40.4 | 15.0 | 11.1 |
| At least one minor | 32.4 | 25.6 | 12.8 | 8.1 | 32.4 | 25.7 | 12.7 | 8.8 |
| Number of elderly | | | | | | | | |
| One elderly | 28.6 | 17.8 | 10.5 | 26.7 | 31.6 | 19.1 | 12.3 | 30.5 |
| Two or more elderly | 17.1 | 9.8 | 6.8 | 31.7 | 20.9 | 10.0 | 10.3 | 29.2 |
| At least one elderly | 23.7 | 14.4 | 8.9 | 28.0 | 27.0 | 15.2 | 11.5 | 30.1 |
| Citizenship | | | | | | | | |
| All household members Italian | 26.3 | 18.1 | 10.2 | 12.4 | 27.5 | 18.6 | 10.7 | 13.4 |
| At least one household member not Italian | 49.5 | 36.3 | 22.9 | 7.7 | 51.0 | 37.7 | 24.0 | 9.4 |
| Italy | 28.7 | 19.9 | 11.5 | 11.7 | 30.0 | 20.6 | 12.1 | 12.8 |

(a) The risk of poverty is calculated on 2015 income and the very low work intensity on the number of months worked by all the household members during 2015.

(b) R.P.: reference person.

FIGURE 2. GINI COEFFICIENT OF EQUIVALISED DISPOSABLE INCOME BY EU COUNTRIES. Year 2015

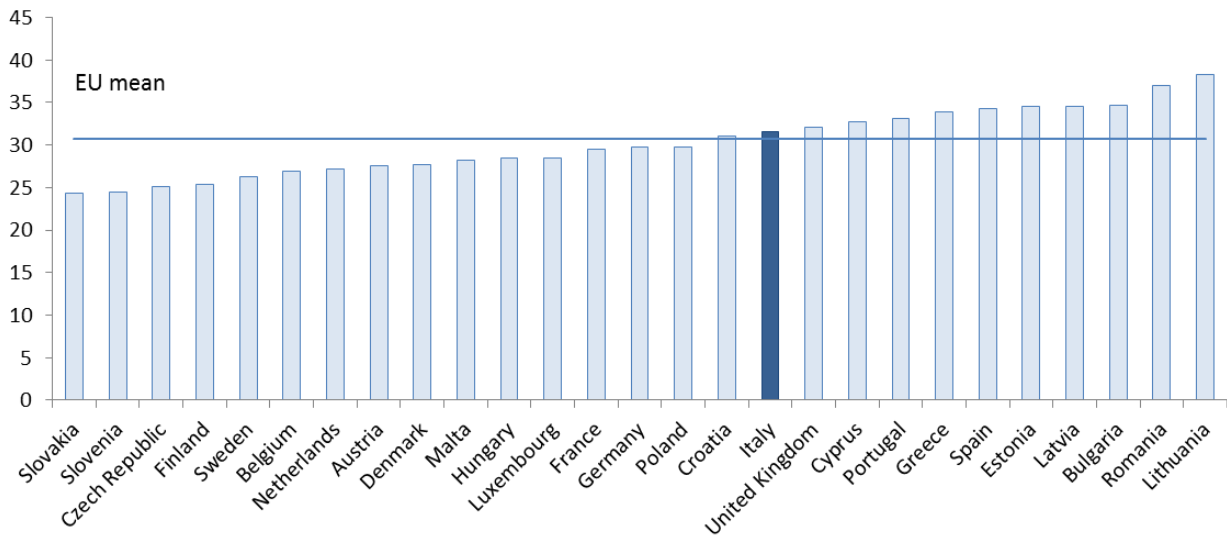


FIGURE 3. HOUSEHOLD NET INCOME AND EQUIVALISED INCOME EXCLUDING AND INCLUDING IMPUTED RENT AT CONSTANT PRICES. Years 2003-2015, mean values (Base 2003=100)

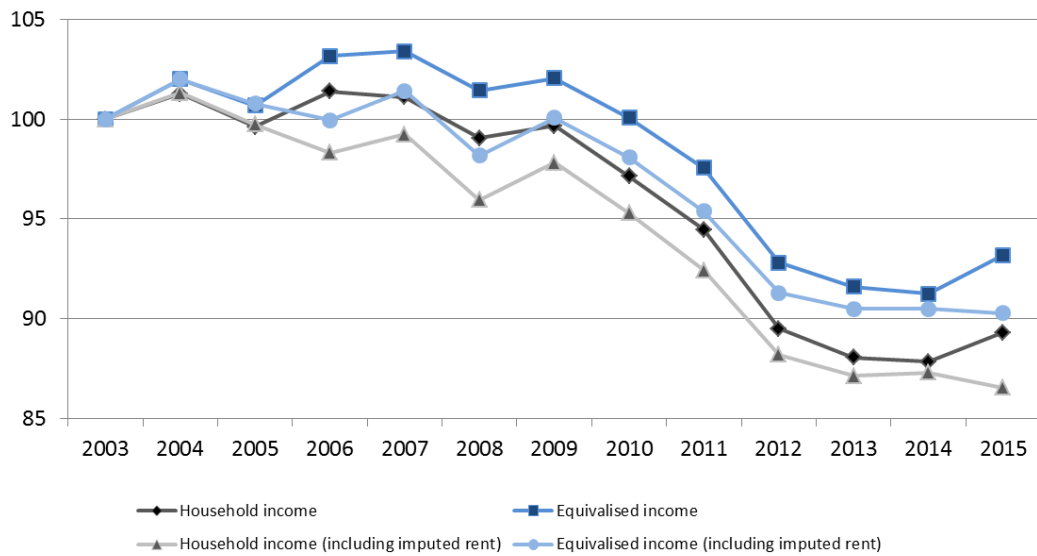


FIGURE 4. HOUSEHOLD NET INCOME INCLUDING IMPUTED RENT AT CONSTANT PRICES BY MAIN INCOME SOURCE. Years 2003-2015, mean values (Base 2003=100)

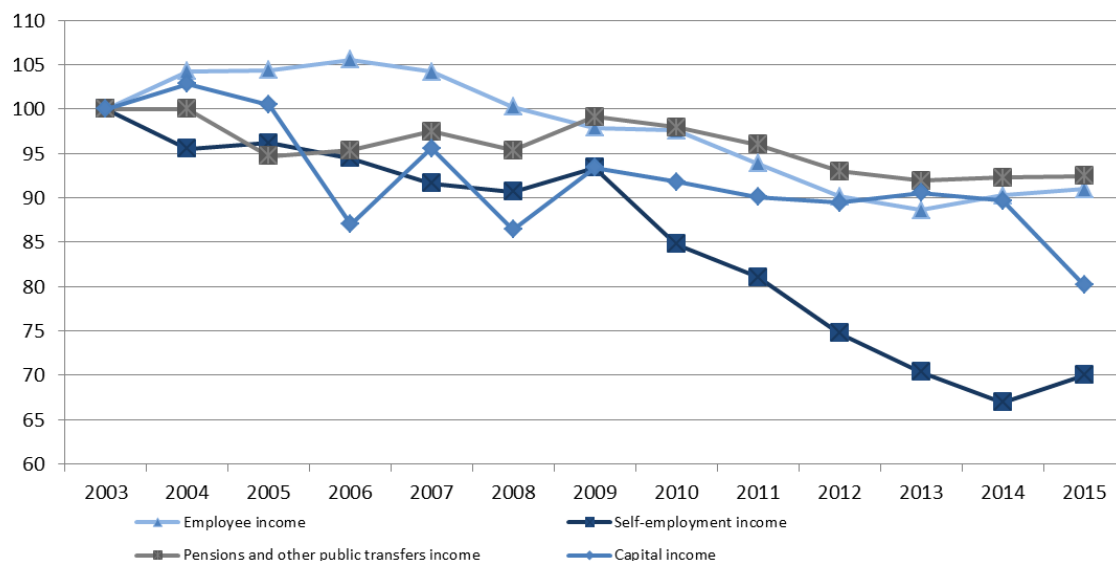


TABLE 2. HOUSEHOLD NET INCOME (excluding imputed rent) BY GEOGRAPHICAL AREA AND HOUSEHOLD CHARACTERISTICS. Year 2015, mean and median values in euros

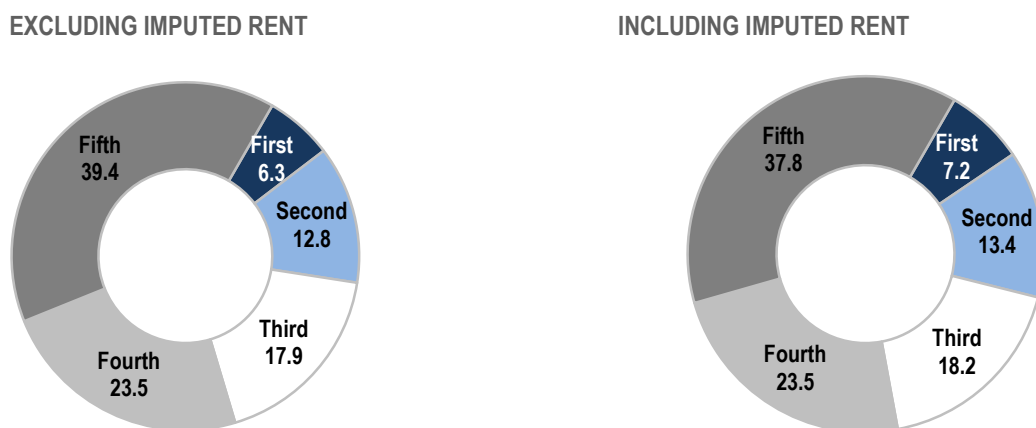
| | Mean | | | | | Median | | | | |
|---|---------------|---------------|---------------|-------------------|---------------|---------------|---------------|---------------|-------------------|---------------|
| | North-West | North-East | Centre | South and Islands | Italy | North-West | North-East | Centre | South and Islands | Italy |
| Household typology | | | | | | | | | | |
| Single person | 19,500 | 19,171 | 18,055 | 14,093 | 17,637 | 17,593 | 17,801 | 16,400 | 12,811 | 16,115 |
| - less than 65 years | 20,684 | 20,513 | 18,583 | 13,555 | 18,408 | 19,074 | 19,691 | 17,131 | 12,175 | 17,445 |
| - 65 years and over | 18,021 | 17,669 | 17,371 | 14,581 | 16,766 | 15,724 | 15,964 | 15,216 | 13,291 | 14,868 |
| Couples without children | 35,468 | 35,523 | 33,502 | 24,892 | 32,158 | 30,987 | 30,949 | 27,730 | 20,799 | 27,383 |
| - R.P. (a) less than 65 years | 38,831 | 38,528 | 34,003 | 25,127 | 33,986 | 36,619 | 34,539 | 30,445 | 21,019 | 30,400 |
| - R.P. (a) 65 years and over | 31,959 | 32,284 | 33,024 | 24,643 | 30,265 | 26,701 | 28,197 | 25,619 | 20,600 | 25,098 |
| Couples with children | 46,448 | 47,168 | 44,149 | 31,129 | 40,412 | 41,521 | 42,805 | 39,961 | 27,050 | 36,297 |
| - one child | 45,985 | 45,134 | 41,921 | 30,228 | 39,652 | 40,881 | 41,531 | 38,158 | 26,541 | 36,375 |
| - two children | 46,795 | 48,676 | 46,730 | 32,258 | 41,442 | 42,683 | 45,395 | 41,562 | 27,482 | 36,949 |
| - three or more children | 47,385 | 51,922 | 44,790 | 30,234 | 39,646 | 44,170 | 46,365 | 38,038 | 27,424 | 32,648 |
| Single parents | 30,729 | 31,048 | 27,509 | 23,409 | 27,678 | 27,614 | 27,930 | 25,080 | 20,875 | 24,864 |
| Other typologies | 35,332 | 41,586 | 38,032 | 30,013 | 35,009 | 30,062 | 37,668 | 36,552 | 24,035 | 30,151 |
| Number of minors | | | | | | | | | | |
| One minor | 40,142 | 41,452 | 35,158 | 26,222 | 34,553 | 37,058 | 38,200 | 32,737 | 24,582 | 31,590 |
| Two minors | 40,297 | 41,706 | 41,449 | 26,566 | 36,032 | 36,080 | 39,052 | 36,552 | 24,379 | 31,772 |
| Three or more minors | 37,073 | 42,649 | 35,753 | 27,751 | 34,035 | 29,886 | 38,691 | 31,091 | 23,508 | 28,479 |
| At least one minor | 39,982 | 41,643 | 37,483 | 26,497 | 35,067 | 36,313 | 38,508 | 33,562 | 24,379 | 31,469 |
| Number of elderly | | | | | | | | | | |
| One elderly | 25,356 | 26,078 | 26,027 | 21,799 | 24,478 | 19,536 | 20,228 | 20,047 | 16,294 | 18,715 |
| Two or more elderly | 35,025 | 36,419 | 36,528 | 28,614 | 33,652 | 29,190 | 30,143 | 28,610 | 24,035 | 27,874 |
| At least one elderly | 28,832 | 29,715 | 29,764 | 24,090 | 27,687 | 23,490 | 24,352 | 23,516 | 18,860 | 22,063 |
| Citizenship | | | | | | | | | | |
| All household members Italian | 33,947 | 35,105 | 32,504 | 24,985 | 30,901 | 28,184 | 29,653 | 26,791 | 20,919 | 25,328 |
| At least one household member not Italian | 22,867 | 24,254 | 20,998 | 15,530 | 21,410 | 20,520 | 21,628 | 16,928 | 12,301 | 19,173 |
| Total | 32,680 | 33,852 | 31,147 | 24,473 | 29,988 | 26,786 | 28,273 | 25,506 | 20,557 | 24,522 |

(a) R.P.: reference person.

TABLE 3. HOUSEHOLD NET INCOME (excluding imputed rent) BY MAIN EARNER CHARACTERISTICS. Years 2015, mean and median values in euros

| | Mean | | | | | Median | | | | |
|---------------------------|----------------------------|---------------|---------------|-------------------|---------------|---------------|---------------|---------------|-------------------|---------------|
| | North-West | North-East | Centre | South and Islands | Italy | North-West | North-East | Centre | South and Islands | Italy |
| | Sex | | | | | | | | | |
| Male | 36,749 | 37,978 | 34,505 | 26,152 | 33,127 | 31,040 | 33,133 | 28,914 | 22,483 | 27,782 |
| Female | 26,116 | 26,619 | 25,959 | 21,560 | 24,769 | 21,067 | 20,907 | 20,124 | 17,060 | 19,752 |
| | Age class | | | | | | | | | |
| Less than 35 years | 28,783 | 31,358 | 27,457 | 19,556 | 26,078 | 25,264 | 28,219 | 23,765 | 16,745 | 22,893 |
| 35-44 years | 35,335 | 35,908 | 30,076 | 24,092 | 30,856 | 31,040 | 32,787 | 25,742 | 22,607 | 26,591 |
| 45-54 years | 36,751 | 39,202 | 34,671 | 27,227 | 33,931 | 33,850 | 36,043 | 30,052 | 23,471 | 29,759 |
| 55-64 years | 40,622 | 40,435 | 38,622 | 29,465 | 36,504 | 34,008 | 33,495 | 32,179 | 24,804 | 30,260 |
| 65 years or more | 26,013 | 26,612 | 26,909 | 22,135 | 25,046 | 21,137 | 22,017 | 21,071 | 17,678 | 20,002 |
| | Educational level | | | | | | | | | |
| Primary education or less | 20,448 | 22,465 | 20,049 | 17,010 | 19,369 | 17,485 | 19,512 | 17,217 | 15,366 | 16,904 |
| Lower secondary education | 28,991 | 31,293 | 26,130 | 21,028 | 26,040 | 25,684 | 27,009 | 22,609 | 19,589 | 22,944 |
| Upper secondary education | 35,158 | 36,827 | 32,348 | 27,459 | 32,872 | 30,746 | 33,053 | 28,459 | 24,817 | 28,668 |
| University degree | 45,773 | 44,929 | 45,730 | 41,455 | 44,499 | 38,273 | 39,731 | 38,518 | 35,621 | 37,890 |
| | Professional status | | | | | | | | | |
| Employee | 37,257 | 37,648 | 34,720 | 30,083 | 34,786 | 32,418 | 34,462 | 30,394 | 26,163 | 30,328 |
| Self-employed | 40,978 | 42,394 | 35,831 | 26,621 | 35,825 | 34,854 | 36,242 | 26,672 | 20,721 | 27,310 |
| Unemployed | 19,333 | 20,518 | 20,164 | 12,404 | 16,201 | 14,392 | 17,516 | 14,669 | 8,475 | 11,810 |
| Other not employed | 21,955 | 23,685 | 19,474 | 16,653 | 19,085 | 15,756 | 16,374 | 14,205 | 14,451 | 14,769 |
| Retired | 27,180 | 28,283 | 29,252 | 24,079 | 26,961 | 22,569 | 23,429 | 23,209 | 19,305 | 21,854 |
| | Citizenship | | | | | | | | | |
| Italian | 33,873 | 35,063 | 32,543 | 24,969 | 30,908 | 28,073 | 29,780 | 26,996 | 20,919 | 25,355 |
| Not-Italian | 20,939 | 22,066 | 18,118 | 14,358 | 19,252 | 19,659 | 20,158 | 15,571 | 11,213 | 17,309 |
| Total | 32,680 | 33,852 | 31,147 | 24,473 | 29,988 | 26,786 | 28,273 | 25,506 | 20,557 | 24,522 |

FIGURE 5. INDIVIDUAL EQUIVALISED INCOME EXCLUDING AND INCLUDING IMPUTED RENT BY QUINTILE (a). Year 2015, percentage composition



(a) The share of individual equivalised income by quintile is not comparable with that shown in the previous note (year 2014), which was based on household equivalised income.

TABLE 4. SHARE OF INDIVIDUALS BY EQUIVALISED INCOME QUINTILE AND BY GEOGRAPHICAL AREA AND HOUSEHOLD CHARACTERISTICS (a). Year 2015, for 100 individuals with the same characteristics

| | Quintile (excluding imputed rent) | | | | | Quintile (including imputed rent) | | | | |
|---|-----------------------------------|-------------|-------------|-------------|-------------|-----------------------------------|-------------|-------------|-------------|-------------|
| | First | Second | Third | Fourth | Fifth | First | Second | Third | Fourth | Fifth |
| Geographical area | | | | | | | | | | |
| North-West | 13.2 | 16.5 | 20.7 | 23.4 | 26.2 | 12.8 | 16.6 | 21.0 | 22.9 | 26.7 |
| North-East | 10.1 | 15.6 | 22.0 | 25.8 | 26.6 | 9.9 | 15 | 21.5 | 26.7 | 27.0 |
| Centre | 15.8 | 18.7 | 20.9 | 21.8 | 22.8 | 15.0 | 18.5 | 20.8 | 22.8 | 22.9 |
| South and Islands | 33.2 | 25.9 | 17.8 | 13.1 | 10.0 | 34.1 | 26.3 | 17.9 | 12.4 | 9.2 |
| Household type | | | | | | | | | | |
| Single person | 24.0 | 16.9 | 21.6 | 20.3 | 17.3 | 17.0 | 18.7 | 21.4 | 22.1 | 20.9 |
| - less than 65 years | 24.6 | 12.3 | 19.5 | 22.8 | 20.8 | 23.3 | 14.1 | 18.2 | 21.6 | 22.9 |
| - 65 years and over | 23.3 | 22.0 | 24.0 | 17.4 | 13.2 | 9.8 | 23.9 | 25.0 | 22.6 | 18.7 |
| Couples without children | 12.6 | 20.8 | 21.0 | 18.4 | 27.2 | 10.8 | 19.2 | 21.3 | 20.8 | 28.0 |
| - R.P. (a) less than 65 years | 15.3 | 16.2 | 16.3 | 17.7 | 34.4 | 15.3 | 15.2 | 16.0 | 19.5 | 34.0 |
| - R.P. (a) 65 years and over | 9.8 | 25.6 | 25.9 | 19.1 | 19.5 | 6.0 | 23.4 | 26.8 | 22.1 | 21.6 |
| Couples with children | 20.3 | 20.7 | 19.3 | 20.6 | 19.2 | 22.5 | 20.7 | 19.0 | 19.9 | 17.9 |
| - one child | 14.3 | 17.0 | 20.1 | 24.5 | 24.1 | 15.4 | 17.9 | 19.6 | 24.2 | 23.0 |
| - two children | 20.2 | 22.4 | 19.5 | 20.5 | 17.4 | 22.4 | 22.4 | 19.5 | 20.1 | 15.6 |
| - three or more children | 36.5 | 25.1 | 16.6 | 10.0 | 11.8 | 42.1 | 22.8 | 16.2 | 7.6 | 11.3 |
| Single parents | 25.8 | 19.8 | 18.4 | 19.2 | 16.7 | 26.7 | 19.3 | 18.5 | 18.3 | 17.2 |
| Other typologies | 22.3 | 18.4 | 23.1 | 20.2 | 16.0 | 22.6 | 20.5 | 25.2 | 15.6 | 16.0 |
| Number of minors | | | | | | | | | | |
| One minor | 21.9 | 19.8 | 20.5 | 21.9 | 15.8 | 23.9 | 20.8 | 19.6 | 20.7 | 15.0 |
| Two minors | 24.4 | 23.7 | 19.8 | 17.7 | 14.4 | 27.6 | 22.4 | 20.0 | 17.0 | 13.0 |
| Three or more minors | 39.5 | 28.2 | 15.5 | 8.5 | 8.3 | 48.5 | 23.8 | 12.5 | 7.3 | 8.0 |
| At least one minor | 25.0 | 22.4 | 19.6 | 18.6 | 14.4 | 28.3 | 21.8 | 18.9 | 17.6 | 13.4 |
| Number of elderly | | | | | | | | | | |
| One elderly | 18.5 | 19.6 | 22.2 | 19.5 | 20.1 | 13.2 | 20.2 | 22.9 | 21.8 | 22.0 |
| Two or more elderly | 9.5 | 23.8 | 24.3 | 21.9 | 20.4 | 7.1 | 22.4 | 25.7 | 23.3 | 21.4 |
| At least one elderly | 14.6 | 21.5 | 23.1 | 20.5 | 20.2 | 10.6 | 21.2 | 24.1 | 22.4 | 21.7 |
| Citizenship | | | | | | | | | | |
| All household members Italian | 18.1 | 18.7 | 20.2 | 21.3 | 21.7 | 17.0 | 19.1 | 20.6 | 21.5 | 21.8 |
| At least one household member not Italian | 35.9 | 30.9 | 18.4 | 9.3 | 5.5 | 45.9 | 27.6 | 14.6 | 7.2 | 4.7 |
| Italy | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |

(a) The share of individual equivalised income by quintile is not comparable with that shown in the previous note (year 2014), which was based on household equivalised income.

(b) R.P.: reference person.

TABLE 5. SHARE OF INDIVIDUALS BY EQUIVALISED INCOME QUINTILE AND MAIN EARNER CHARACTERISTICS (a). Year 2015, for 100 individuals with the same characteristics

| | Quintile (excluding imputed rent) | | | | | Quintile (including imputed rent) | | | | |
|----------------------------|-----------------------------------|-------------|-------------|-------------|-------------|-----------------------------------|-------------|-------------|-------------|-------------|
| | First | Second | Third | Fourth | Fifth | First | Second | Third | Fourth | Fifth |
| Sex | | | | | | | | | | |
| Male | 18.5 | 20.5 | 20.0 | 20.4 | 20.6 | 19.5 | 20.0 | 19.8 | 20.5 | 20.1 |
| Female | 23.4 | 18.9 | 20.0 | 19.2 | 18.6 | 21.0 | 20.0 | 20.4 | 18.8 | 19.7 |
| Age class | | | | | | | | | | |
| Less than 35 years | 27.8 | 19.4 | 19.7 | 19.5 | 13.6 | 31.0 | 18.8 | 19.8 | 18.0 | 12.4 |
| 35-44 years | 21.9 | 22.1 | 19.3 | 19.5 | 17.2 | 25.7 | 21.3 | 18.6 | 18.3 | 16.2 |
| 45-54 years | 21.0 | 18.4 | 19.5 | 21.0 | 20.1 | 21.7 | 19.3 | 19.4 | 19.9 | 19.8 |
| 55-64 years | 14.5 | 15.7 | 17.2 | 22.4 | 30.1 | 14.0 | 16.3 | 16.9 | 23.2 | 29.5 |
| 65 years or more | 17.1 | 23.1 | 23.3 | 18.0 | 18.6 | 11.6 | 22.7 | 24.2 | 20.6 | 20.8 |
| Educational level | | | | | | | | | | |
| Primary education or less | 28.2 | 29.3 | 22.0 | 14.0 | 6.6 | 23.3 | 28.6 | 24.6 | 16.1 | 7.4 |
| Lower secondary education | 28.2 | 24.7 | 19.6 | 17.0 | 10.5 | 30.1 | 24.1 | 19.1 | 16.6 | 10.1 |
| Upper secondary education | 14.8 | 16.6 | 21.4 | 24.0 | 23.1 | 15.4 | 16.9 | 21.3 | 23.4 | 23.1 |
| University degree | 8.2 | 9.6 | 16 | 22.9 | 43.3 | 8.1 | 11.1 | 14.8 | 22.9 | 43.3 |
| Professional status | | | | | | | | | | |
| Employee | 13.1 | 20.3 | 21.2 | 24.1 | 21.3 | 16.0 | 20.0 | 20.9 | 22.8 | 20.3 |
| Self-employed | 27.6 | 15.3 | 16.6 | 14.8 | 25.7 | 27.1 | 16.0 | 15.8 | 15.8 | 25.3 |
| Unemployed | 59.1 | 16.7 | 7.9 | 10.1 | 6.1 | 58.9 | 17.9 | 8.7 | 8.6 | 5.9 |
| Other not employed | 38.6 | 21.9 | 17.6 | 11.7 | 10.3 | 33.1 | 24.5 | 18.4 | 12.9 | 11.1 |
| Retired | 14.4 | 22.3 | 23.3 | 19.4 | 20.5 | 10.5 | 21.2 | 23.9 | 21.7 | 22.7 |
| Citizenship | | | | | | | | | | |
| Italian | 18.4 | 19.1 | 20.2 | 21.0 | 21.4 | 17.3 | 19.5 | 20.5 | 21.2 | 21.5 |
| Not Italian | 39.1 | 30.6 | 17.6 | 8.9 | 3.9 | 50.8 | 26.1 | 14.3 | 5.9 (b) | 3.0 |
| Italy | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |

(a) The share of individual equivalised income by quintile is not comparable with that shown in previous note (year 2014), which was based on household equivalised income.

(b) Estimation based on a sample size between 20 and 49 observations.

FIGURE 6. AVERAGE TAX RATE BY NUMBER OF EARNERS, HOUSEHOLD TYPE AND GROSS INCOME BRACKETS. Year 2015, percentage values and in euros

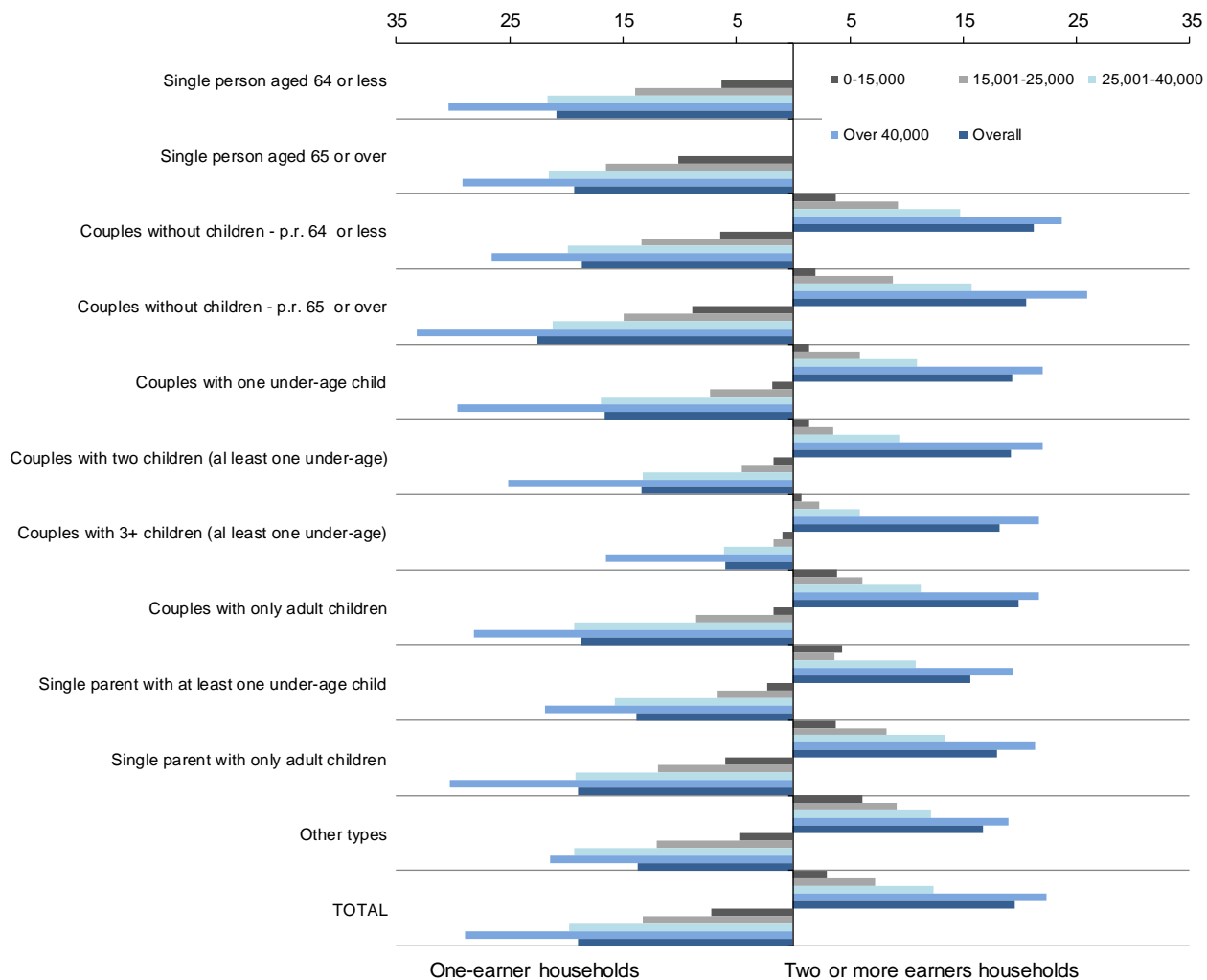


FIGURE 7. AVERAGE TAX RATE BY INCOME STRUCTURE AND GROSS INCOME CLASS. Year 2015, percentage values and in euros

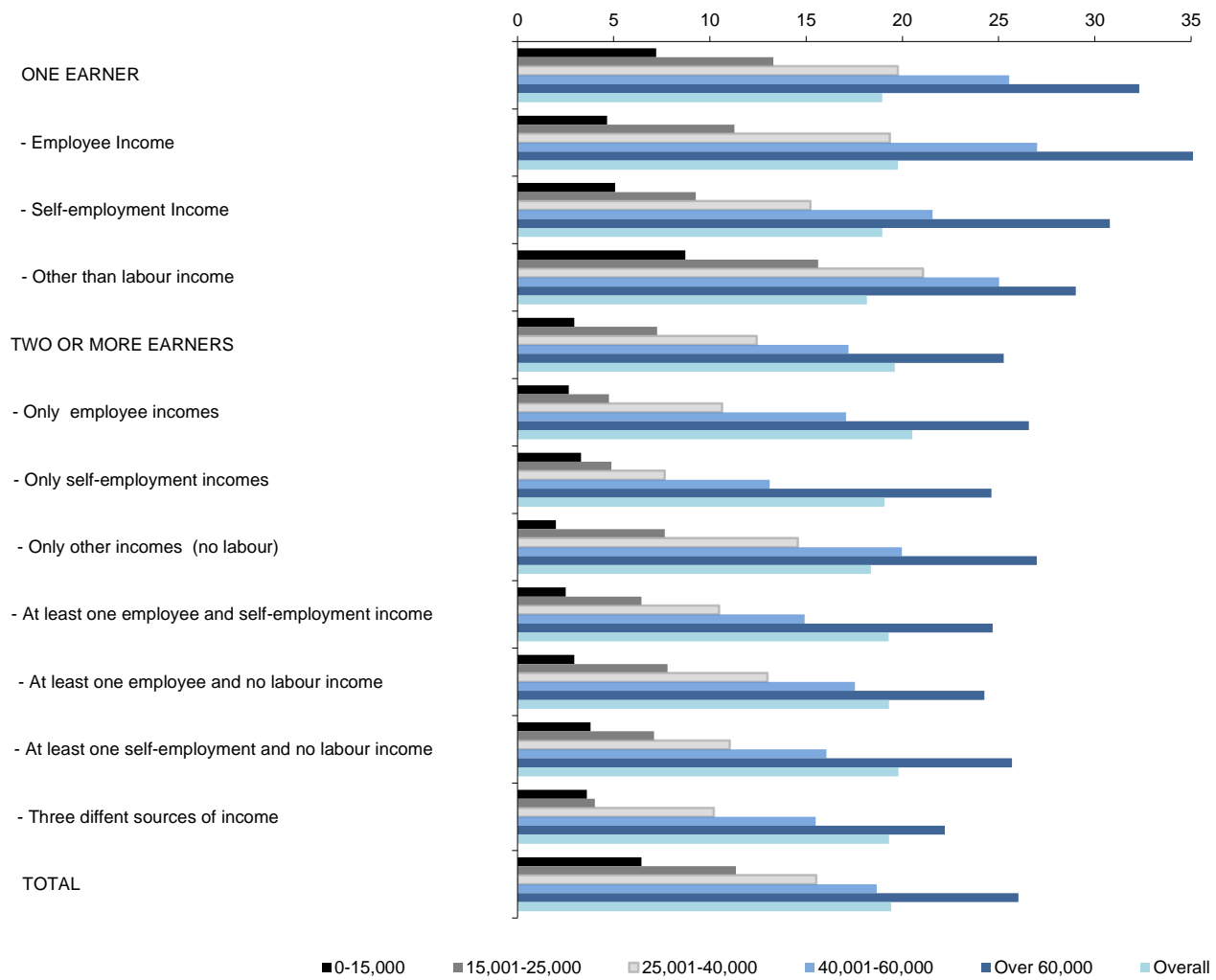


FIGURE 8. AVERAGE TAX RATE BY GEOGRAPHICAL AREAS AND GROSS INCOME CLASS. Year 2015, percentage values and in euros

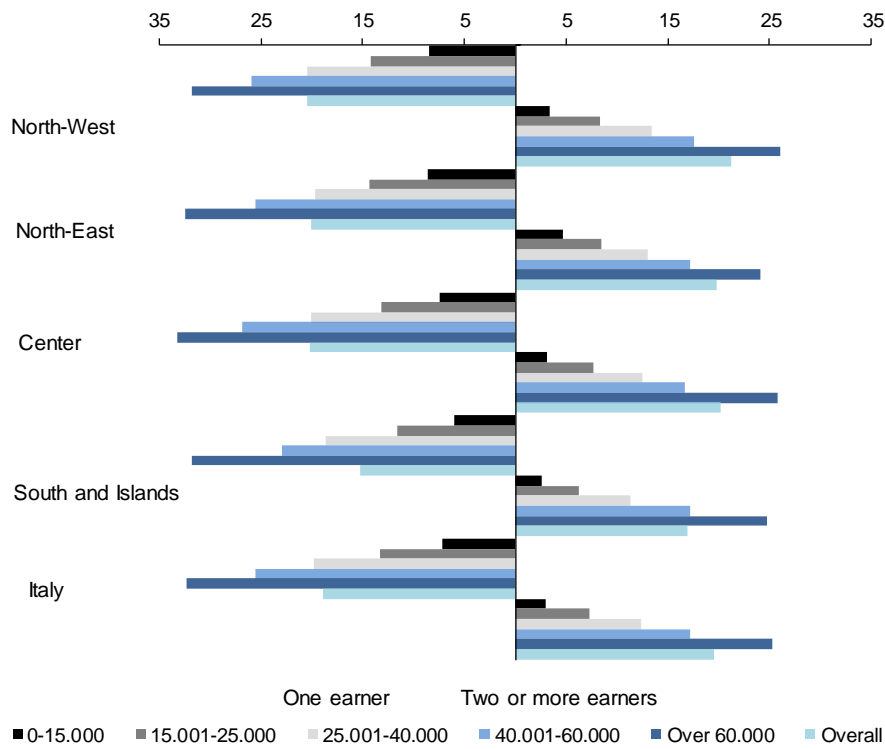


FIGURE 9. LABOUR COST COMPONENTS. Years 2006-2015, average values in euros

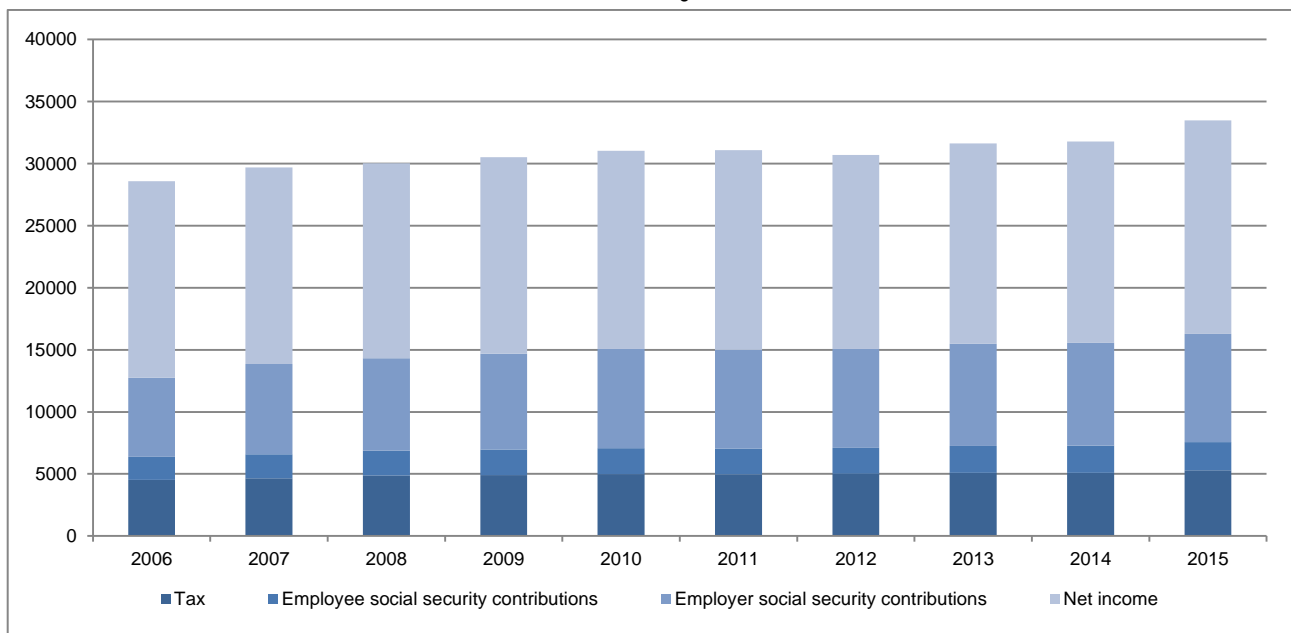


TABLE 6. LABOUR COST COMPONENTS (A) BY SEX AND GEOGRAPHICAL AREAS. Year 2015, average values in euros

| | Labour cost | Employer social security contributions | Gross wage | Employee social security contributions | Personal income tax | Net income | Tax wedge |
|--------------------------|---------------|--|---------------|--|---------------------|---------------|---------------|
| Sex | | | | | | | |
| Male | 36,114 | 9,206 | 26,908 | 2,370 | 5,483 | 19,055 | 17,059 |
| Female | 27,012 | 6,814 | 20,199 | 1,821 | 3,270 | 15,107 | 11,905 |
| Geographical area | | | | | | | |
| Nord-West | 36,119 | 9,222 | 26,897 | 2,384 | 5,502 | 19,012 | 17,108 |
| Nord-Est | 34,237 | 8,743 | 25,494 | 2,273 | 4,798 | 18,423 | 15,814 |
| Centre | 32,445 | 8,148 | 24,297 | 2,140 | 4,658 | 17,499 | 14,946 |
| South and Islands | 26,066 | 6,596 | 19,471 | 1,746 | 3,143 | 14,582 | 11,485 |
| Italy | 32,000 | 8,125 | 23,875 | 2,122 | 4,483 | 17,270 | 14,729 |

(a) Employee income recipients

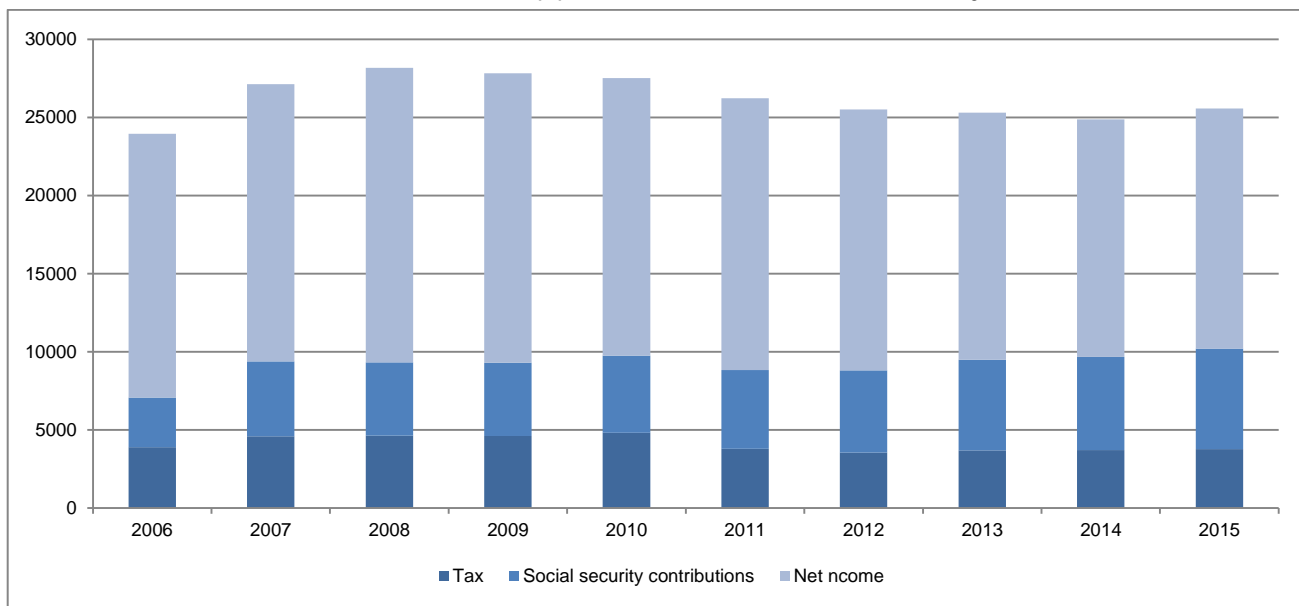
TABLE 7. INCIDENCE OF THE TAX WEDGE ON THE LABOUR COST FOR WORKER CHARACTERISTICS AND GEOGRAPHICAL AREA (A). Year 2015, percentage values

| | NORTH-WEST | NORTH-EAST | CENTRE | SOUTH AND ISLANDS | ITALY |
|----------------------------|-------------|-------------|-------------|-------------------|-------------|
| Sex | | | | | |
| Male | 49.0 | 47.6 | 47.3 | 44.5 | 47.2 |
| Female | 44.7 | 43.8 | 44.3 | 43.2 | 44.1 |
| Age class | | | | | |
| Less than 35 years | 44.3 | 43.9 | 43.4 | 42.1 | 43.5 |
| 35 - 44 years | 47.7 | 46.1 | 45.0 | 43.5 | 45.8 |
| 45 - 54 years | 48.2 | 47.6 | 47.0 | 44.0 | 46.9 |
| 55 - 64 years | 48.7 | 46.7 | 47.9 | 46.3 | 47.4 |
| 65 years or more | 32.3 (b) | 23.1 (b) | 46.3 | 42.0 (b) | 39.4 |
| Educational level | | | | | |
| Primary education or less | 40.7 | 42.1 | 41.9 | 39.3 | 40.7 |
| Lower secondary education | 45.5 | 44.7 | 43.0 | 41.6 | 44.0 |
| Upper secondary education | 47.8 | 46.3 | 45.7 | 44.1 | 46.1 |
| University degree | 49.6 | 48.3 | 49.0 | 47.2 | 48.6 |
| Professional status | | | | | |
| Executive | 52.7 (b) | 54.8 (b) | 54.8 (b) | - | 53.9 |
| Manager | 53.3 | 51.5 | 51.6 | 49.7 | 51.9 |
| Clerk | 47.2 | 46.7 | 46.6 | 45.0 | 46.4 |
| Workman | 46.0 | 45.1 | 43.3 | 42.0 | 44.4 |
| Sector of work | | | | | |
| Public | 47.0 | 46.2 | 47.0 | 45.7 | 46.4 |
| Private | 47.7 | 46.6 | 46.0 | 43.3 | 46.3 |
| Type of work | | | | | |
| Fixed-term | 42.7 | 42.2 | 40.5 | 40.1 | 41.4 |
| Permanent | 48.0 | 47.0 | 46.8 | 45.0 | 46.8 |
| Work hours | | | | | |
| 30 or more | 47.9 | 46.9 | 46.7 | 44.7 | 46.7 |
| Less than 30 | 39.0 | 38.1 | 38.1 | 37.5 | 38.2 |
| Total | 47.4 | 46.2 | 46.1 | 44.1 | 46.0 |

(a) Employee income recipients.

(b) Estimation based on a sample size between 20 and 49 observations.

FIGURE 10. GROSS SELF-EMPLOYMENT INCOME (A) COMPONENTS. Years 2006- 2015, average values in euros



(a) Gross of taxes and social contributions.

TABLE 8. GROSS SELF-EMPLOYMENT INCOME (A) COMPONENTS BY SEX AND GEOGRAPHICAL AREA. Year 2015, averages in euros and percentage values

| | Gross income (a) | Tax (b) | Social contributions | Net income |
|--------------------------|------------------|--------------|----------------------|---------------|
| Sex | | | | |
| Male | 26,008 | 4,461 | 4,248 | 17,298 |
| Female | 17,799 | 2,604 | 3,046 | 12,148 |
| Geographical area | | | | |
| Nord-West | 26,504 | 4,549 | 4,384 | 17,571 |
| Nord-East | 25,861 | 4,557 | 4,083 | 17,221 |
| Centre | 22,871 | 3,859 | 3,593 | 15,419 |
| South and Islands | 17,484 | 2,386 | 3,187 | 11,911 |
| ITALY | 22,952 | 37,70 | 3,801 | 15,381 |
| Sex | | | | |
| Male | 100.0 | 17.2 | 16.3 | 66.5 |
| Female | 100.0 | 14.6 | 17.1 | 68.3 |
| Geographical area | | | | |
| Nord-West | 100.0 | 17.2 | 16.5 | 66.3 |
| Nord-East | 100.0 | 17.6 | 15.8 | 66.6 |
| Centre | 100.0 | 16.9 | 15.7 | 67.4 |
| South and Islands | 100.0 | 13.6 | 18.2 | 68.1 |
| ITALY | 100 | 16.4 | 16.6 | 67.0 |

(a) Gross of taxes and social contributions .

(b) Gross of Irap tax

TABLE 8. GROSS SELF-EMPLOYMENT INCOME (A) COMPONENTS BY SEX AND GEOGRAPHICAL AREA. Year 2015, average values in euros and percentage values

| | Gross income (a) | Tax (b) | Social contributions | Net income |
|--------------------------|------------------|--------------|----------------------|---------------|
| Sex | | | | |
| Male | 26,008 | 4,461 | 4,248 | 17,298 |
| Female | 17,799 | 2,604 | 3,046 | 12,148 |
| Geographical area | | | | |
| Nord-West | 26,504 | 4,549 | 4,384 | 17,571 |
| Nord-Est | 25,861 | 4,557 | 4,083 | 17,221 |
| Centre | 22,871 | 3,859 | 3,593 | 15,419 |
| South and Islands | 17,484 | 2,386 | 3,187 | 11,911 |
| ITALY | 22,952 | 3,770 | 3,801 | 15,381 |
| Sex | | | | |
| Male | 100.0 | 17.2 | 16.3 | 66.5 |
| Female | 100.0 | 14.6 | 17.1 | 68.3 |
| Geographical area | | | | |
| Nord-West | 100.0 | 17.2 | 16.5 | 66.3 |
| Nord-Est | 100.0 | 17.6 | 15.8 | 66.6 |
| Centre | 100.0 | 16.9 | 15.7 | 67.4 |
| South and Islands | 100.0 | 13.6 | 18.2 | 68.1 |
| ITALY | 100.0 | 16.4 | 16.6 | 67.0 |

(a) Gross of taxes and social contributions.

(b) Gross of Irap tax.

TABLE 9. TAX INCIDENCE ON SELF-EMPLOYMENT GROSS INCOME FOR WORKER CHARACTERISTICS AND GEOGRAPHICAL AREAS - Year 2015, percentage values

| | North-West | North-East | Centre | South and Islands | Italy |
|--|-------------|-------------|-----------|-------------------|-------------|
| Sex | | | | | |
| Male | 21.5 | 21.8 | 20.8 | 17.2 | 20.5 |
| Female | 18.3 | 18.7 | 17.8 | 15.5 | 17.7 |
| Age class | | | | | |
| Less than 35 years | 13.1 | 15.4 | 15.2 | 11.2 | 13.5 |
| 35 - 44 years | 18.6 | 18.7 | 16.2 | 11.7 | 16.6 |
| 45 - 54 years | 19.2 | 20.1 | 17.6 | 16.1 | 18.4 |
| 55 - 64 years | 25.1 | 22.6 | 23.1 | 19.9 | 23.1 |
| 65 years or more | 27.6 | 28.8 | 30.8 | 32.2 | 29.6 |
| Educational level | | | | | |
| Primary education or less | 21.3 | 20.8 | 23.0 | 19.3 | 20.9 |
| Lower secondary education | 18.3 | 18.1 | 16.6 | 9.7 | 16.1 |
| Upper secondary education | 19.8 | 20.5 | 17.8 | 13.0 | 18.3 |
| University degree | 23.1 | 25.0 | 23.8 | 23.9 | 23.8 |
| Self-employment | | | | | |
| With employees | 23.6 | 23.8 | 21.4 | 20.5 | 22.5 |
| Without employees | 17.4 | 17.2 | 15.8 | 12.4 | 15.9 |
| Sector of work | | | | | |
| Public | 28.4 | 27.3 | 27.6 | 28.7 | 28.1 |
| Private | 19.6 | 20.0 | 18.6 | 15.6 | 18.6 |
| Work hours | | | | | |
| 30 hours or more | 20.4 | 20.7 | 19.5 | 16.6 | 19.5 |
| Less than 30 hours | 12.3 | 12.0 | 14.3 | 13.4 | 13.0 |
| Professional status | | | | | |
| Farmer | 19.7 | 17.9 | 17.6 | 13.2 | 17.0 |
| Craftsman | 18.7 | 20.0 | 17.4 | 13.5 | 17.9 |
| Trader | 17.5 | 18.3 | 18.5 | 12.7 | 16.8 |
| Entrepreneur, freelancer, self-employed worker | 22.7 | 22.7 | 22.4 | 21.9 | 22.4 |
| Total | 20.6 | 20.9 | 20 | 16.7 | 19.7 |

TABLE 10. DISTRIBUTION OF INDIVIDUAL GROSS INCOME (NET OF SOCIAL CONTRIBUTIONS) BY SOURCE AND INCOME CLASS - Year 2015, percentage values

| | Employee income | Self-employment income | Pensions | Total income |
|------------------|-----------------|------------------------|---------------|---------------|
| Less than 10,000 | 23.6 | 41.1 | 29.7 | 24.4 |
| 10,001 - 15,000 | 12.4 | 16.3 | 19.9 | 14.0 |
| 15,001 - 30,000 | 44.0 | 26.7 | 37.4 | 39.0 |
| 30,001 - 70,000 | 17.9 | 12.8 | 11.8 | 18.5 |
| Over 70,000 | 2.0 | 3.2 | 1.2 | 2.8 |
| Total | 100.0 | 100.0 | 100.0 | 100.0 |
| Less than 10,000 | 5,047 | 4,716 | 6,258 | 5,118 |
| 10,001 - 15,000 | 12,548 | 12,483 | 12,366 | 12,452 |
| 15,001 - 30,000 | 22,071 | 21,247 | 21,258 | 21,937 |
| 30,001 - 70,000 | 39,693 | 43,065 | 39,558 | 40,915 |
| Over 70,000 | 101,677 | 127,053 | 89,998 | 108,461 |
| Total | 21,644 | 19,151 | 18,002 | 22,111 |

TABLE 11. TAX INCIDENCE BY GROSS INCOME TYPE AND INCOME CLASS. Year 2015, percentage values and average values in euros

| | Employee income | Self-employment | | Pensions | Total income |
|--------------------------------|-----------------|-----------------|--------------|--------------|--------------|
| | | Gross of Irap | Net of Irap | | |
| Percentage values | | | | | |
| Less than 10,000 | 5.3 | 8.7 | 8.6 | 3.7 | 3.4 |
| 10,001 - 15,000 | 7.1 | 9.9 | 9.3 | 11.4 | 8.4 |
| 15,001 - 30,000 | 15.7 | 14.2 | 13.0 | 18.3 | 14.9 |
| 30,001 - 70,000 | 27.8 | 23.2 | 21.8 | 26.4 | 24.2 |
| Over 70,000 | 38.0 | 32.9 | 30.3 | 33.4 | 33.4 |
| Total | 20.6 | 19.7 | 18.3 | 18.9 | 19.5 |
| Average values in euros | | | | | |
| Less than 10,000 | 527 | 724 | 711 | 710 | 397 |
| 10,001 - 15,000 | 1,062 | 1,761 | 1,668 | 1,649 | 1,268 |
| 15,001 - 30,000 | 3,542 | 3,431 | 3,132 | 3,984 | 3,380 |
| 30,001 - 70,000 | 11,022 | 10,224 | 9,591 | 10,520 | 9,962 |
| Over 70,000 | 39,190 | 41,739 | 38,532 | 30,039 | 36,430 |
| Total | 5,216 | 5,105 | 4,747 | 4,451 | 5,290 |

Annex

TABLE A1. HOUSEHOLD NET INCOME (including imputed rent) **BY GEOGRAPHICAL AREA AND HOUSEHOLD CHARACTERISTICS.** Year 2015, mean and median values in euros

| | Mean | | | | | Median | | | | |
|---|---------------|---------------|---------------|-------------------|---------------|---------------|---------------|---------------|-------------------|---------------|
| | North-West | North-East | Centre | South and Islands | Italy | North-West | North-East | Centre | South and Islands | Italy |
| Household typology | | | | | | | | | | |
| Single person | 23,950 | 24,057 | 22,755 | 17,633 | 21,977 | 21,550 | 22,343 | 20,856 | 16,597 | 20,238 |
| - less than 65 years | 24,278 | 24,455 | 22,275 | 16,468 | 21,926 | 22,115 | 22,758 | 20,713 | 15,245 | 20,519 |
| - 65 years and over | 23,541 | 23,611 | 23,377 | 18,691 | 22,035 | 21,102 | 21,873 | 21,176 | 17,397 | 20,058 |
| Couples without children | 41,215 | 41,476 | 39,489 | 29,016 | 37,551 | 36,758 | 36,974 | 34,178 | 25,011 | 32,855 |
| - R.P. (a) less than 65 years | 44,004 | 43,787 | 39,272 | 28,856 | 38,794 | 42,156 | 39,402 | 35,827 | 25,193 | 35,474 |
| - R.P. (a) 65 years and over | 38,307 | 38,985 | 39,695 | 29,185 | 36,265 | 33,085 | 34,428 | 31,979 | 25,011 | 30,952 |
| Couples with children | 51,639 | 52,733 | 49,681 | 35,074 | 45,270 | 47,540 | 48,692 | 45,541 | 31,008 | 40,962 |
| - one child | 51,219 | 50,713 | 47,613 | 34,182 | 44,612 | 46,614 | 47,272 | 44,308 | 30,465 | 41,131 |
| - two children | 52,044 | 54,281 | 52,338 | 36,216 | 46,317 | 48,232 | 50,892 | 47,777 | 31,083 | 41,608 |
| - three or more children | 52,080 | 57,211 | 48,889 | 34,108 | 43,961 | 48,421 | 50,838 | 42,473 | 31,719 | 36,282 |
| Single parents | 35,167 | 36,257 | 32,684 | 27,231 | 32,225 | 31,680 | 33,847 | 30,205 | 24,155 | 29,656 |
| Other typologies | 39,653 | 46,852 | 42,894 | 33,611 | 39,341 | 32,769 | 44,419 | 41,338 | 27,575 | 34,350 |
| Number of minors | | | | | | | | | | |
| One minor | 44,606 | 46,671 | 40,018 | 29,749 | 38,919 | 40,248 | 44,105 | 37,446 | 27,576 | 35,860 |
| Two minors | 45,061 | 46,633 | 46,507 | 30,088 | 40,453 | 41,006 | 44,782 | 40,909 | 27,185 | 36,161 |
| Three or more minors | 41,115 | 47,443 | 39,824 | 30,891 | 37,850 | 35,582 | 44,995 | 36,571 | 27,327 | 32,391 |
| At least one minor | 44,535 | 46,718 | 42,355 | 29,985 | 39,408 | 40,248 | 44,414 | 38,698 | 27,436 | 35,657 |
| Number of elderly | | | | | | | | | | |
| One elderly | 30,926 | 32,115 | 32,182 | 25,987 | 29,809 | 25,312 | 26,732 | 26,443 | 20,337 | 24,074 |
| Two or more elderly | 41,349 | 43,186 | 43,227 | 33,174 | 39,602 | 35,362 | 37,015 | 35,574 | 28,702 | 33,659 |
| At least one elderly | 34,673 | 36,008 | 36,113 | 28,404 | 33,235 | 29,372 | 30,676 | 29,721 | 23,330 | 27,569 |
| All household members Italian | 39,331 | 40,976 | 38,236 | 29,002 | 35,994 | 33,656 | 35,439 | 32,633 | 24,918 | 30,466 |
| At least one household member not Italian | 24,558 | 25,976 | 22,933 | 16,264 | 22,998 | 21,699 | 23,345 | 18,276 | 13,406 | 20,080 |
| Italy | 37,642 | 39,243 | 36,431 | 28,311 | 34,743 | 31,776 | 33,764 | 30,743 | 24,319 | 29,273 |

(a) R.P.: reference person.

TABLE A2. HOUSEHOLD NET INCOME (including imputed rent) **BY MAIN EARNER CHARACTERISTICS.** Years 2015, mean and median values in euros

| | Mean | | | | | Median | | | | |
|----------------------------|---------------|---------------|---------------|-------------------|---------------|---------------|---------------|---------------|-------------------|---------------|
| | North-West | North-East | Centre | South and Islands | Italy | North-West | North-East | Centre | South and Islands | Italy |
| Sex | | | | | | | | | | |
| Male | 41,856 | 43,428 | 39,835 | 29,998 | 37,940 | 36,325 | 38,331 | 34,651 | 26,067 | 32,668 |
| Female | 30,843 | 31,909 | 31,172 | 25,386 | 29,428 | 25,044 | 26,612 | 25,466 | 20,664 | 24,148 |
| Age class | | | | | | | | | | |
| Less than 35 years | 32,023 | 35,164 | 30,975 | 22,440 | 29,368 | 27,378 | 31,801 | 27,040 | 19,662 | 25,107 |
| 35-44 years | 39,446 | 40,056 | 34,183 | 27,245 | 34,676 | 34,687 | 36,489 | 29,530 | 25,596 | 30,217 |
| 45-54 years | 41,597 | 44,657 | 39,932 | 31,078 | 38,686 | 38,107 | 41,224 | 35,713 | 27,473 | 34,339 |
| 55-64 years | 46,136 | 46,370 | 44,333 | 33,699 | 41,718 | 39,339 | 39,961 | 38,156 | 29,476 | 35,939 |
| 65 years or more | 31,875 | 32,930 | 33,289 | 26,447 | 30,596 | 26,970 | 28,212 | 27,530 | 21,891 | 25,576 |
| Educational level | | | | | | | | | | |
| Primary education or less | 25,442 | 28,205 | 25,589 | 20,828 | 24,123 | 22,257 | 26,081 | 22,946 | 19,438 | 21,532 |
| Lower secondary education | 33,587 | 36,305 | 30,660 | 24,447 | 30,280 | 30,648 | 32,425 | 27,568 | 23,012 | 27,332 |
| Upper secondary education | 40,029 | 42,157 | 37,638 | 31,458 | 37,707 | 35,823 | 38,250 | 33,817 | 29,113 | 33,813 |
| University degree | 51,451 | 50,647 | 51,765 | 46,004 | 49,983 | 44,724 | 46,159 | 44,669 | 39,642 | 43,655 |
| Professional status | | | | | | | | | | |
| Employee | 41,530 | 42,351 | 39,270 | 33,653 | 39,012 | 37,171 | 38,772 | 35,363 | 29,925 | 34,714 |
| Self-employed | 46,609 | 48,270 | 41,266 | 30,627 | 40,972 | 39,546 | 42,359 | 33,702 | 23,841 | 32,415 |
| Unemployed | 22,882 | 23,857 | 24,702 | 15,524 | 19,699 | 16,128 | 18,007 | 17,327 | 11,395 | 14,719 |
| Other not employed | 26,968 | 29,818 | 25,277 | 20,502 | 23,804 | 21,047 | 22,536 | 19,727 | 18,352 | 19,570 |
| Retired | 33,053 | 34,541 | 35,566 | 28,462 | 32,586 | 28,235 | 29,746 | 29,553 | 23,593 | 27,544 |
| Citizenship | | | | | | | | | | |
| Italian | 39,201 | 40,859 | 38,223 | 28,972 | 35,961 | 33,518 | 35,413 | 32,674 | 24,918 | 30,466 |
| Not-Italian | 22,290 | 23,529 | 19,702 | 14,835 | 20,523 | 19,814 | 21,267 | 16,585 | 11,723 | 18,328 |
| Total | 37,642 | 39,243 | 36,431 | 28,311 | 34,743 | 31,776 | 33,764 | 30,743 | 24,319 | 29,273 |

For more details please refer to the Italian version

Date of previous release: 6 December 2016

Date of next release: 6 December 2018

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Glossary

At risk of poverty or social exclusion rate (abbreviated as AROPE): it refers to the situation of people either at risk of poverty, or severely materially deprived or living in a household with a very low work intensity. The AROPE rate, that is the share of the total population at risk of poverty or social exclusion, is the headline indicator to monitor the EU 2020 Strategy poverty target.

At-risk-of-poverty rate it is the share of people with an equivalised disposable income (after social transfers) below the at-risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income after social transfers. The disposable income does not include imputed rent, non-cash employee income (other than company car) and income from household production of goods for own consumption. In 2016 the at-risk-of-poverty threshold (computed on 2015 incomes) is 9,748 euros per year.

Capital income: it is defined as the income received less expenses occurring during the income reference period by the owner of a financial asset or a tangible non-produced asset (property or land) in return for providing funds to, or putting the tangible non-produced asset at the disposal of, another institutional unit. It includes interests (from assets such as bank accounts, certificates of deposit, bonds, etc.), dividends, profits from capital investment in an unincorporated business, income from rental of a property or land, pensions received from individual private plans, with or without imputed rent.

Cost of labor for the employee income: sum of gross wages and social contributions payable by the employer.

Employee income: it is defined as the total remuneration, in cash or in kind, payable by an employer to an employee in return for work done by the latter during the income reference period. It includes also the market value of the company car provided for private use as well, luncheon vouchers and other non-cash fringe-benefits.

Employer's social contributions: include the employer's effective contributions and the charge for the provision for severance pay. From 2011 the contributions to be paid by the employers of the parasubordinate workers (coordinated and continuous collaborators and project collaborators) are not included.

Equivalised disposable income: it is the total household disposable income (according to the European definition), divided by the number of household members converted into equivalised adults; household members are equivalised or made equivalent by weighting each according to their age, using the so-called modified OECD equivalence scale. This scale gives the following weight to household members: 1.0 to the first adult; 0.5 to the second and each subsequent person aged 14 and over; 0.3 to each child aged under 14.

Equivalised net income: it is the total net household income (according to the Italian definition), divided by the number of household members converted into equivalised adults; household members are equivalised or made equivalent by weighting each according to their age, using the so-called modified OECD equivalence scale. This scale gives the following weight to household members: 1.0 to the first adult; 0.5 to the second and each subsequent person aged 14 and over; 0.3 to each child aged under 14.

Europe 2020 Strategy: The European Union ten years strategy for growth and jobs launched in 2010 to create the conditions for smart, sustainable and inclusive growth. The EU has agreed on five quantitative targets to be achieved by the end of 2020 concerning employment, research and development, climate and energy, education, social inclusion and poverty reduction.

Gini coefficient: it measures the extent to which the distribution of income deviates from a perfectly equal distribution. A coefficient of 0 expresses perfect equality where everyone has the same income, while a coefficient of 100 expresses full inequality where only one person has all the

income. In this note, the Gini coefficient is applied to the individual distribution of the equivalised disposable income, excluding imputed rent, non-cash employee income (other than company car), income from household production of goods for own consumption.

Gross wage: the sum of disposable employee income (European definition), personal income tax and social contributions payable by the employee.

Household disposable income: according to the European definition, it is computed as the sum for all household members of the individual employee and self-employment incomes, capital incomes, pensions and other public and private transfers received, minus cash transfers to other households net of taxes on income, taxes on wealth and social insurance contributions. According to the European definition, the market value of the company car is included in the employee income, while luncheon vouchers and other non-cash fringe benefits are not included. Furthermore, value of goods produced for own consumption are not included in the household disposable income.

Household gross income net of social insurance contributions: sum of disposable household income (European definition) and personal income tax paid by household members.

Household net income: according to the Italian definition, it is computed as the sum for all household members of the individual employee and self-employment incomes, capital incomes, pensions and other public and private transfers received. minus cash transfers to other households net of taxes on income, taxes on wealth and social insurance contributions. According to the Italian definition, the market value of the company car, luncheon vouchers and other non-cash fringe benefits are included in the employee income. Moreover, value of goods produced for own consumption are also included in the household net income. This measure of total household income is not directly comparable to the disposable income aggregate of the household sector reported in the System of National Accounts.

Imputed rent: it is a non-monetary income component pertaining households living in their main accommodation as owner-occupiers, renters-free or renters at lower price (compared to the market-price rent). It represents the cost (or the additional cost) that shall be paid for a similar dwelling as that occupied if rented at a market-price. Costs for heating, water, electricity, etc. are excluded.

Individual gross income net of social insurance contributions: gross income from dependent, self-employed, retirement and from real capital, financial capital and non-pension transfers, such as unemployment benefits, partial unemployment benefits (cig), vocational training allowances, severance and termination payments for employees, corresponds to the sum of net income and personal income tax by type of source.

Irap: The regional tax on production activities, established by Legislative Decree dated 15 December 1997

Other income components: they include capital incomes, regular inter-household cash transfers received or paid, incomes received by people aged under 16, incomes from household production of goods for own consumption and every other incomes not deriving from work or social transfers.

Pensions and other public transfers: Pensions are periodic payments in cash intended to maintain the income of the beneficiary and to provide protection against risks linked to old age, loss of income, inadequate income, lack of independence in carrying out daily tasks, reduced participation in social life, and so on. They include i) old-age benefits that provide a replacement income when the person retires from the labour market or which guarantee a certain income when a person has reached prescribed age or years of contribution; ii) disability benefits and disability pensions to maintain or support the income of someone below the standard retirement age, who suffers from a disability which impairs his or her ability to work beyond a minimum level; iii) survivors' benefits that provide a temporary or permanent income to people below the retirement age who have suffered from the loss of another related household member (for example their spouse). Other public transfers include full and partial unemployment benefits (*"Aspi"*. *"Naspi"*).

“Cassa integrazione guadagni”), mobility and resettlement benefits; severance and termination payments; education related allowances; family and children related allowances; income support schemes for household and individuals at risk of social exclusion (minimum income, Social card).

Personal income tax: sum of direct taxes (income tax, regional and municipal tax, substitute tax on financial assets and income tax with separate taxation). For employee income, retirement and unemployment income the personal income tax corresponds to the withholding tax (according to the Eurostat definition of gross income), while for self-employment it corresponds to the net tax, as the advance payments and withholding tax on self-employment, as opposed to the withholding tax on employee income and retirement income, may also differ significantly from the final tax paid. The self-employment tax includes a portion of IRAP: the regional tax on productive activities is estimated by applying the IRAP tax rate to the part of the tax base of the independent taxpayer that corresponds to the taxable income. Being calculated on the taxable income, IRAP is, for this part, similar to a direct tax.

Self-employment income: is the income received by individuals, for themselves or in respect of their family members, as a result of their current or former involvement in self-employment jobs. Self-employment jobs are those jobs where the remuneration is directly dependent upon the profits (or the potential for profits) derived from the goods and services produced (where own consumption is considered to be part of profits). It includes incomes deriving from employer-coordinated freelance work (“*collaborazioni coordinate e continuative – co.co.co*” or “*collaborazioni coordinate a progetto – co.co.pro.*”) and royalties earned on writing. inventions.

Severe material deprivation rate: it is an indicator that expresses the inability to afford some items considered by most people to be desirable or even necessary to lead an adequate life. It measures the percentage of the population that cannot afford at least four of the following nine items:

1. to pay their rent. mortgage or utility bills;
2. to keep their home adequately warm;
3. to face unexpected expenses;
4. to eat meat or proteins regularly;
5. to go on a week holiday;
6. a television set;
7. a washing machine;
8. a car;
9. a telephone.

Social contributions: include actual contributions, i.e. mandatory contributions (and voluntary contributions if provided by collective labor agreements) for the attainment of social security and welfare benefits (sickness, disability, occupational diseases or accidents at work, old age, maternity), charged to the employee, self-employed, the parasubordinate worker and the employer. Figurative contributions are not estimated in the Eu-Silc survey.

Social contributions of self-employed workers: include social contributions by self-employed workers and contributions to be paid by parasubordinate workers and their employers.

Tax wedge: sum of personal tax on income, social contributions of the employee and contributions to be paid by the employer.

Very low work intensity: number of persons living in a household having a work intensity below a threshold set at 0.20. The work intensity of a household is the ratio of the total number of months that all working-age household members have worked during the income reference year and the total number of months the same household members theoretically could have worked in the same period. A working-age person is a person aged 18-59 years. with the exclusion of students in the age group between 18 and 24 years. Households composed only of children. of students aged less than 25 and/or people aged 60 or more are completely excluded from the indicator calculation.

Methodological Note

The EU-SILC (Statistics on Income and Living Conditions. Regulation of the European Parliament. no. 1177/2003) is one of the main sources of data for periodic reports on the social situation of the European Union and the spread of the risk of poverty in member countries. EU-SILC is a multi-purpose instrument which focuses mainly on income and social exclusion. with a particular attention on aspects of material deprivation.

In Italy. the EU-SILC data are collected yearly since 2004. Although the EU-SILC Regulation requires national level estimates. the Italian survey allows for reliable estimates at regional level as well.

The survey is conducted through household and personal interviews.

Since 2011. interviews have been carried out by an awarded contractor according to a CAPI (Computer Assisted Personal Interview) technique instead of the PAPI (Paper and Pencil Interview) previously used. Since 2015 a share of the interviews is carried out by CATI (Computer Assisted Telephone Interview) technique, which in 2016 is about 60% of households.

The sample design is based on a two-stages scheme (municipalities and households). where the primary sample units – municipalities – are stratified by population size within each region. Rotational design is used for households; the whole sample is composed of four rotational groups. each group is included in the sample for four waves of the survey. Each year one fourth of the sample is renewed. replacing the group entered in the sample four years before. while the remaining three fourths are made of households and individuals selected one. two or three years before. interviewed respectively for the second. third or fourth time. The overall sample is statistical representative of the population residing in Italy and. in 2016. it amounts to 21,325 households (48,316 individuals), residing in about 650 municipalities.

The information is collected through an electronic questionnaire. structured in three parts:

- a) General form to collect demographic information related to each household member (sex. date and place of birth. citizenship etc.) and some information for each household member aged less than 16 years (type of school attended. formal and informal childcare etc.)
- b) Household questionnaire to collect information about housing conditions. housing expenses. economic situation. material deprivation. household income components.
- c) Personal questionnaire for each household member aged at least 16 years to collect information on education. health. current or previous labour. income by detailed components (employee. self-employment. pensions and other social transfers. financial and real capital. private transfers)

Income data collected by interviews are integrated with administrative register data. A micro-simulation model allows to obtain further gross income values.

As will be explained below. the integrated use of data from administrative sources and the micro-simulation model allows to estimate the taxes and social contributions paid by individuals who. added to the net income. constitute gross income. In the absence of information at the individual and household level on gross income and/or taxes paid. the technique commonly used for the conversion of sample income is the micro-simulation model that estimate taxes and social contributions according to the tax regime relating to the income reference period.

For the estimation of the Eu-Silc gross income. Istat has experimented with a more complex methodology by jointly using the SM2 model of the University of Siena and data on the integration of the sampling and administrative sources. through the exact matching techniques. using the

fiscal codes as matching key and criteria for harmonizing the data and reconciling the different values².

The European Commission has adopted the SM2 micro-simulation model as a recommended procedure for the construction of the Eu-Silc gross income variables³. The SM2 model was built for the 2003 tax year and tested on data from the Echp (European Community Household Panel) survey. The Istat implementation of the SM2-Eu-Silc model required the transition from the preliminary version applied to the Echp data to that of the Eu-Silc data and the construction of the input and auxiliary variables based on the information gathered from the new survey⁴.

The availability of administrative data, used since the construction of the net income of the survey⁵, has allowed a joint and innovative use of a micro-simulation model and administrative registers. As it is well known, data from tax returns do not contain information on certain income components (exempt income, income with separate taxation or subject to substitute tax) and may have coverage problems compared to individuals present in the sample of the survey. The samples, in turn, may be affected by reticence, under-reporting (sub-declaration) or insufficient representativeness of some types of income or income recipients. The combined use of sample and administrative data enhances the advantages obtainable from the exclusive use of fiscal registers on the one hand and micro-simulation techniques on the other.

In the Eu-Silc survey, five administrative registers are currently used: taxpayers' tax returns, namely model 730 and Unico Persone Fisiche (UPF); declarations of tax substitutes, CU certifications and model 770, and the Pension Register drawn up jointly by Istat and Inps (Italian National Social Security Institute). In particular, for the construction of gross income, the payment prospectus of the 730 models and the RN framework of the UPF models were used to calculate net and gross income by type of source, withholding taxes and taxes paid, and deductions⁶ and tax credits⁷ of the taxpayer and the spouse⁸.

After the collection of all available information, the integrated database is subjected to a complex procedure for checking the consistency and correction of net data, gross data, withholdings and administrative taxes. In particular, some anomalies between withholding taxes, social contributions and corresponding income are eliminated. Withholdings or taxes paid by administrative sources are not used when no income figure is present, or when the values are inconsistent.

The integrated database is, therefore, used as an input to the micro-simulation model and the availability of fiscal data and microsimulated income allows a comparison and cross validation of the results very useful for the construction of the target variables of individual and household gross income⁹.

The micro-simulation model also allows estimating the tax and social security contributions of individuals not present in the administrative registers because they are de facto household components (i.e. individuals present at the time of the interview, but not present in the family registry form at the time of the extraction of the theoretical sample of Eu-Silc) or for the impossibility to establish a combination of the fiscal codes (it is not possible, in fact, to link the

² See: Istat, La metodologia di stima dei redditi lordi nell'indagine Eu-Silc – Indagine europea sui redditi e le condizioni di vita delle famiglie, Metodi e Norme n. 49, 2011.
³ See also: Eurostat, Income in EU-SILC: Net/Gross/Net conversion. Report on common structure of the model; model description and application to the ECHP data for France, Italy and Spain, prepared by V. Verma, G. Betti and co-researcher. EU-SILC 133/04, Luxembourg 2004.
⁴ Some net-gross conversion routines have been modified, in particular for the estimate of income from self-employment, the calculation of IRAP and the income of para-subordinate workers. The tax rules were also updated to include the second module of the 2005 IRPEF reform and subsequent changes in tax legislation.
⁵ See: Istat, Integrazione dei dati campionari Eu-Silc con dati di fonte amministrativa, Istat Metodi e Norme n. 38, 2009.
⁶ Deduction for the main residence and deductions from the overall income of Section II of the RP framework of the UPF model 2016 and Section II of the Framework E of the 730/2016 model.
⁷ Tax credits for work and family expenses and Tax credits for expenses of Section I, III, IV, V, VI, VII of the RP framework of the UPF model 2016 and Section I, III, IV, V, VI, VII of the Section II of the Framework E of the 730/2016 model.
⁸ For taxpayers in which both declarations 730 and UPF were present, UPF was used as it usually contains additional and subsequent information with respect to the model 730.
⁹ See: Consolini P., Donatiello G., Multi-source data collection strategy and microsimulation techniques for the Italian EU-SILC, in Istat Rivista di Statistica ufficiale, n.2 2015, pp. 77-93: http://www.istat.it/files/2015/10/rsu_2_2015.pdf

individuals who report incomplete information on the tax codes and personal data). The model SM2-Eu-Silc also provides an estimate of social contributions payable by workers and employers.

The final database of individual and household income gross of tax and social security contributions is therefore constructed as the sum of available income and taxes and withholdings of administrative source, if available, or as a sum of disposable incomes and microsimulated taxes. It also includes social contributions from workers and employers. Finally, to the withholdings and taxes of administrative source a stochastic component is added to make anonymous the information used.

Confidence intervals

When a sample rather than the entire population is observed, the computed estimates are affected by sampling error. That error can be measured as standard error or relative error, that is the standard error divided by the mean estimate, named the coefficient of variation (CV).

Based on these values, confidence intervals, including the real unknown value of the parameter to be estimated with a pre-fixed probability level, can be derived. The confidence interval is obtained adding and subtracting the standard error multiplied by a coefficient, depending on the confidence level chosen, to the punctual estimate. Taking into account a confidence level of 0.95 ($\alpha=0.05$), the coefficient is 1.96.

In the table A3, relative errors (CV), standard errors and confidence intervals of the estimates of the main indicators published in this note are shown:

TABLE A5 RELATIVE ERRORS, STANDARD ERRORS AND CONFIDENCE INTERVALS OF THE MAIN INDICATORS ESTIMATES. Year 2016

| | Estimate (a) | Relative error (CV) (b) | Standard error (s.e.) (c)=(a)*(b) | Confidence interval (probability level=0.95) | |
|--|-----------------|-------------------------------|--|---|-----------------------------|
| | | | | Lower bound (a)-1.96*(c) | Upper bound (a)+1.96*(c) |
| Population at risk of poverty or social exclusion (out of 100 individuals) | 30.0 | 0.01648 | 0.49394 | 29.0 | 30.9 |
| Population at risk of poverty (out of 100 individuals) | 20.6 | 0.02277 | 0.46974 | 19.7 | 21.6 |
| Severe material deprivation (out of 100 individuals)) | 12.1 | 0.03895 | 0.47096 | 11.2 | 13.0 |
| Very low working intensity (out of 100 eligible individuals) | 12.8 | 0.02979 | 0.38270 | 12.1 | 13.6 |
| Mean disposable household income (year 2015, values in euros) | | | | | |
| - Excluding imputed rents | 29,988 | 0.00594 | 178.15379 | 29,639 | 30,337 |
| - Including imputed rents | 34,743 | 0.00525 | 182.55868 | 34,385 | 35,101 |
| Mean gross household income (year 2015, values in euros) | 36,818 | 0.00703 | 258.98122 | 36,310 | 37,326 |
| Labour cost (year 2015, values in euros) | 32,000 | 0.00777 | 248.67872 | 31,513 | 32,487 |

Some indicators computation method

The **imputed rent** is estimated by means of an econometric model relating the dwelling characteristics and the market price rent paid by renters, On the market renters subset, through a two stage Heckman procedure, the following model has been estimated:

$$\ln y_i = \beta_0 + \beta_{1k} X_{ki} + \beta_2 T_i + \beta_3 \lambda_i + u_i$$

where y_i is the paid rent, X_{ki} is a vector of the dwelling characteristics (type of dwelling, dwelling size, presence of terrace, balcony, garden, lack of enough light) and characteristics of the area where the dwelling is located, T_i is the tenure seniority, λ_i is the inverse Mill's ratio to correct the sample selection bias (rent is observed only among those paying a market price rent and they could differ in a systematic and not-observable way from the remaining sample) and u_i is the error term,

In details λ_i is obtained through a probit model with renter status as dependent variable and households characteristics as independent variables (number of household members, number of income recipients, equivalised income quintiles and some socio-economic characteristics of the reference person),

The estimated parameters β_i , are used to compute the imputed rent for no-renters households, Seniority is included between regressors, but its effect is depurated (setting the parameter from regression equal to 0) in estimating predicted values for sub-populations other than tenants at a market rate, From that value, interests paid on mortgage, if any, are deducted,

The Gini coefficient can be computed through the following formula:

$$\frac{\sum_{i=1}^{n-1} (P_i - Q_i)}{\sum_{i=1}^{n-1} P_i}$$

where Q_i are the cumulate income shares and P_i are the cumulate shares in case of equi-distribution,